Review of the list of bulk drugs under price control

342. SHRI H. HANUMANTHAPPA:
SHRI GOVINDRAM MIRI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what steps have been taken to review the list of bulk drugs under price control as envisaged in the policy;

(b) who is to review the list and why this task has not yet started;

(c) whether it is a fact that non-review of the list is harming the interests of the Inidan companies;

(d) whether Government are supporting the multinations by sitting over the issue of review of list;

(e) whether it is a fact that his Ministry has received representations against wrong inclusion and exclusion of drugs; if so, what are the names of drugs and other details; and

(f) what aspects of Pricing Policy would be looked after by National Pharmaceutical Pricing Authority and what aspects are being looked after by its Chairman at present?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI M. ARUNACHALAM): (a) and (b) The Drug Policy envisages that the work related to up dating of the list of drugs under price control would be undertaken by the National Pharmaceutical Pricing Authority (NPPA). NPPA has not become functional due to problems of administrative nature. Therefore the Government has recently decided to initiate work pertaining to review of the list of Bulk Drugs under price control.

(c) and (d) The criteria laid down for inclusion / exclusion of drugs under price control are based on economic factors like turnover, market competition and monopoly situation. These criteria are for the industry as a whole and do not distinguish between companies of Indian origin and others.

(e) Representations against inclusion of 19 drugs were received from 27 manufacturers and 1 industry association. The decision of the Government has been conveyed to the concerned.

(f) NPPA would do the work of price fixation, updating the list of drugs under price control, monitoring the price of decontrolled drugs and formulations and also oversee the implementation of the provisions of the Drugs (Prices Control) Order. Chairman, NPPA is at present looking after the strategic and administrative matters related to the NPPA.

Decline in IDPL Production Level

343. SHRI JIBON ROY:
SHRI BRATIN SENGUPTA:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the decline in IDPL production level is directly linked with protracted stalemate over its revival plan;

(b) if so, whether the delay is accidental in nature; and

(c) whether the IDBI, Mumbai, the operating agency for a techno-economic viability study of IDPL, is an expert body for such study?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI M. ARUNACHALAM): (a) and (b) IDPL was given financial assistance by Government of India in excess of what was provided for in the revival package approved by BIFR in 1994. The inability of IDPL to meet the production/sales targets and to maintain the working capital cycle is primarily responsible for the progressive decline in production level.

(c) The Sick Industrial Companies (Special Provisions) Act, 1985, provides for the Board for Industrial and Financial Reconstruction (BIFR), A quasi-judicial authority, to appoint any public financial institution, State level institution,

Scheduled Bank or any other person to act as the Operating Agency. In accordance with these provisions, BIFR appointed IDBI, Mumbai, a reputed financial institution, as the Operating Agency in the case of IDPL.

Increasing Sickners of Public Sector Units Due to its handling Agencies

344. SHRI BRATIN SEN GUPTA:
SHRI JIBON ROY:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether concerned agencies are handling the cases like IDPL, Hindustan Antibiotics Limited in a most lackadaisical manner causing further sickness for these Public Sector Units;

(b) whether such approach is accidental; and

(c) if so, whether Government have any plan to make things look better?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI M. ARUNACHALAM): (a) to (c) No, Sir. In the case of IDPL, a revival package was approved in 1994 and financial assistance in excess of what was envisaged was extended to the company by the Government of India. Despite this, IDPL could not achieve the targetted levels of production and sales. BIFR declared that the earlier package had failed and appointed IDBI as the Operating Agency. IDBI has reported that an economically viable revival package for IDPL cannot be drawn up. A revival scheme prepared by the IDPL employees was submitted recently and a final decision on this is to be taken. In the case of HAL, it was declared sick only on 31st March, 1997 and the company has prepared a draft revival proposal and submitted it to the IDBI which has been appointed as the Operating Agency by the BIFR.

Revival Package for Fertilizer Corporation of India

345. SHRI GURUDAS DAS GUPTA:
SHRI J. CHITHARANJAN:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have drawn up a revival package for the Fertilizer Corporation of India; and

(b) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI M. ARUNACHALAM): (a) and (b) The revival package for FCI has been reformulated on the basis of the report of an Expert Group led by the Industrial Credit and Investment Corporation of India Ltd. The package envisages a fresh investment of Rs. 2638 crore on the revamp of Sindri, Ramagundam and Talcher units of FCI, apart from various other reliefs and concessions. Inter-ministerial consultations are being held to determine the scope of the revamp and tie up the funding arrangements.

Liabilities Assessed Regarding Dexamethasone

346. SHRI H. HANUMAN THAPPA:
SHRI GOVINDRAM MIRI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what are the details of liabilities assessed in respect of Dexamethasone against Merind and Cadila for the period April, 1979 till they implemented Government's fixed prices scheme;

(b) whether liabilities against both the companies have not been fully assessed and they have been shown favouritism;

(c) what were the prices of bulk drugs adopted by them in the formulations at the time of commencement of DPCO, 1979 and what was the price notified by Government for these drugs; and